STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF NORTHERN INDIANA PUBLIC SERVICE FILED COMPANY ("NIPSCO") FOR (1) AUTHORITY TO MODIFY ITS RATES AND CHARGES FOR ELECTRIC UTILITY SEP 0 8 2008 SERVICE; (2) APPROVAL OF NEW SCHEDULES OF RATES AND CHARGES APPLICABLE THERETO; (3) APPROVAL INDIANA UTILITY OF REVISED DEPRECIATION ACCRUAL RATES; (4) REGULATORY COMMISSION INCLUSION IN ITS BASIC RATES AND CHARGES OF THE COSTS ASSOCIATED WITH CERTAIN PREVIOUSLY **APPROVED QUALIFIED POLLUTION** CONTROL PROPERTY PROJECTS; (5) AUTHORITY TO IMPLEMENT A RATE ADJUSTMENT MECHANISM PURSUANT TO IND. CODE § 8-1-2-42(a) TO (A) TIMELY RECOVER CHARGES REGIONAL AND **CREDITS** FROM TRANSMISSION **ORGANIZATIONS AND** NIPSCO'S TRANSMISSION **CAUSE NO. 43526** REVENUE REQUIREMENTS; **(B) TIMELY** RECOVER NIPSCO'S **PURCHASED POWER** COSTS: AND ALLOCATE NIPSCO'S OFF SYSTEM SALES REVENUES; (6) APPROVAL OF VARIOUS **CHANGES** TO NIPSCO'S ELECTRIC SERVICE TARIFF INCLUDING WITH RESPECT TO THE GENERAL RULES AND REGULATIONS, THE ENVIRONMENTAL COST RECOVERY MECHANISM AND THE ENVIRONMENTAL EXPENSE **MECHANISM:** APPROVAL OF THE CLASSIFICATION OF NIPSCO'S FACILITIES AS TRANSMISSION OR DISTRIBUTION IN ACCORDANCE WITH THE **FEDERAL ENERGY** REGULATORY COMMISSION'S SEVEN-FACTOR TEST; AND (8) APPROVAL OF AN ALTERNATIVE REGULATORY PLAN PURSUANT TO IND. CODE § 8-1-2.5-1 ET SEQ. TO THE EXTENT SUCH RELIEF IS NECESSARY TO EFFECT THE RATEMAKING **MECHANISMS PROPOSED** NIPSCO.

PETITIONER'S SUBMISSION OF A LATE-FILED PAGE TO PETITIONER'S EXHIBIT EOO-2 AND LATE-FILED PETITIONER'S EXHIBIT EOO-3

Petitioner Northern Indiana Public Service Company submits herewith page 21 of 22 of Petitioner's Exhibit EOO-2, containing the proof of publication of notice of the filing of the petition in this cause in Warren County. Petitioner requests that the Commission accept this

additional page as part of <u>Petitioner's Exhibit EOO-2</u>. Petitioner also submits herewith <u>Petitioner's Exhibit EOO-3</u> which is a copy of the customer notice required by 170 IAC 4-1-18. Neither of these late-file exhibits were available when Petitioner filed its Case-In-Chief on August 29, 2008.

Respectfully Submitted,

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Attorneys for Petitioner Northern Indiana Public Service Company

Petitioner's Exhibit EOO-2

Northern Indiana Public Service Company General Form No. 99P (Revised 199 Cause No. 43526 Page 21 of 22

Form Prescribed by State Board of Accounts

NiSource Corp. Services Co.

(Governmental Unit)

To: The Review-Republican P.O. Box 216

Warren County, Indian	na Williamsport, IN 47993
LINE COUNT Display Matter (Must not e shall total more than for of the advertisement is Head - number of lines Body - number of lines	PUBLISHER'S CLAIM exceed two actual lines, neither of which our solid lines of type in which the body set) number of equivalent lines
Additional charge for notic	e containing rule or tabular work
(\$1.00 for each proof in e	LAIMS \$16.73 rems
I hereby certify that the for	penalties of Chapter 155, Acts 1953, egoing account is just and correct, that the amount claimed is legally ts, and that no part of the same has been paid. Jane Jernagan Title: Editor
2. ****	PUBLISHER'S AFFIDAVIT
LEGAL NOTICE Notice is hereby given that on June 27, 2008, Northern Indiana Public Service Company ("NIPSCO") filed a Petition with the Indiana Utility Regulatory Commission in Cause No. 43526 for (1) authority to modify its rates ad charges for electric utility service; (2) approval of new schöd- ules of rates and charges applicable thereto; (3) approval of revised depreciation accural rates; (4) Inclu- sion in its basic rates and charges of the costs associated with certain previously approved qualified pollu- tion control property projects; (5) authority to implement a rate adjust- ment mechanism pursuant to Ind. Code § 8-1-2-42(a) to (a) timely recover charges and credits from	State of Indiana) ss: Warren County Personally appeared before me, a notary public in and for said county and state, the undersigned Jane Jernagan who, being duly sworn, says that she is Editor of the Review-Republican newspaper of general circulation printed and published in the English language in the town of Williamsport in state and county aforesaid, and that the printed matter attached hereto is a true copy, which was duly published in said paper _1 time(s), the date of publication being as follows: August 28, 2008 Subscribed and sworn to before the this 3 day of Septembet, 2008 Notary Public
regional transmission organizations and NiPSCO's transmission revenue y comparisonments: (h) timely recover	/ Township Dalitaria

regional transmission organizations and NIPSCO's transmission revenue requirements; (b) timely recover NIPSCO's purchased power costs; and (c) allocate NIPSCO's off system revenues; (6) approval of vertous charinges to NIPSCO's electric service tariff including with respect to the general rules and regulations, the environmental cost recovery mechanism and the environmental expense mechanism; (7) approval of the classification of NIPSCO's facilities as transmission or distribution in accordance with the Federal Energy Regulatory Commission's seven-factor test, and (8) approval of an alternative regulatory plan pursuant to Ind. Code § 8-1-2.5-1 et seq. to the extent such relief is necessary to effect the ratemaking mechanisms proposed by NIPSCO. Etieen O'Neill Odum CEO
NORTHERN INDIANA PUBLIC SERVICE COMPANY
08-194 8/28

RESIDENTIAL CUSTOMER NOTICE

On June 27, 2008, Northern Indiana Public Service Company (NIPSCO) filed a petition with the Indiana Utility Regulatory Commission (IURC) to adjust its rates for its electric utility service. On August 29, 2008, NIPSCO filed with the IURC its proposed changes in its electric rates. If the proposed changes are approved by the IURC, the electric bill for a typical residential customer would increase by about 8.86% or about \$7.24 per month. The following table shows the impact at various monthly usage levels:

	Step 1 Residential Customer						
Monthly Usage	Current	Proposed	Increase	Percent			
(kilowatt hours)	Bill	Bill	Amount	Increase			
600	\$67.90	\$74.47	\$6.57	9.68%			
Average 735	\$81.68	\$88.92	\$7.24	8.86%			
800	\$88.31	\$95.87	\$7.56	8.56%			

NIPSCO also proposes a second increase to take effect no later than June 2010 when its Sugar Creek Generating Station will be able to supply energy to the energy market in which NIPSCO's service area is located. The second step of the rate adjustment would increase the typical residential customers bill by about 6.64% or \$5.90 per month. The following table shows the impact at various monthly usage levels:

	Step 2 Residential Customer							
ı	Monthly Usage	Current	Proposed	Increase	Percent			
ı	(kilowatt hours)	Bill	Bill	Amount	Increase			
	600	\$74.47	\$79.33	\$4.86	6.53%			
	Average 735	\$88.92	\$94.82	\$5.90	6.64%			
I	800	\$95.87	\$102.28	\$6.41	6.69%			

NIPSCO must receive formal approval from the IURC before it can make a change to its base rates. A rate case is a process which includes the Indiana Office of Utility Consumer Counselor (OUCC) which represents all customers, and other intervenors who participate in the hearings and request additional information from the utility. The process can take up to 12 to 18 months before the new rates are approved by the IURC and are applied to customer bills.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of Petitioner's Submission Of A Late-Filed Page To Petitioner's Exhibit EOO-2, and Late-Filed Petitioner's Exhibit EOO-3 has been served upon the following by depositing copies thereof in the United States Mail, first class postage prepaid, addressed to:

A. David Stippler Randall C. Helmen Indiana Office of Utility Consumer Counselor National City Center 115 W. Washington Street, Suite 1500 South Indianapolis, Indiana 46204 John F. Wickes, Jr., Esq.
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Jerome E. Polk Polk and Associates, LLC 101 West Ohio Street, Suite 2000 Indianapolis, Indiana 46204

this 8th day of September, 2008.

<u>Naniel W. Walfill</u> Daniel W. McGill

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